



State of Utah

Department of
Natural Resources

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Division of
Oil, Gas & Mining

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Lieutenant Governor

June 30, 2004

TO: Lowell P. Braxton, Director ✓
THRU: Mary Ann Wright, Associate Director MOW
THRU: Wayne Hedberg, Permit Supervisor DWB
FROM: Tom Munson, Senior Reclamation Hydrologist TM
SUBJECT: Request for Approval of Form and Amount of Replacement
Reclamation Surety, Graymont Western US Inc., Cricket Mountain
Mine, M/027/006, Millard County, Utah

The Division finalized review of Graymont Western US Inc.'s amendment for their Cricket Mountain Mine, located in Millard County, Utah. The amendment for their East Allsop area was received March 24, 2004. Tentative approval was granted on June 22, 2004.

This amendment is needed to test the potential limestone reserves that exists in the quarry area. This limestone will have to be proven by processing at the plant site to determine whether or not a saleable product can be produced. This amendment involves increasing the existing disturbance by 20.1 acres. As this proposal is considered a minor amendment it does not require public notice be published in the newspapers.

The Division required the surety be increased from the existing \$1,667,600 to a new total of \$1,745,000 to accommodate the increase in acreage for this amendment. On June 24, 2004, HSBC Bank of New York furnished an amendment to the existing Letter of Credit increasing the existing LOC to the new total of \$1,745,000. On June 30, 2004, we received the operator's replacement Reclamation Contract which will be directly tied to the LOC.

If you are in agreement with the acceptance of the updated reclamation surety please sign and date the Contract. We will then issue final Division approval for the East Allsop amendment to the Cricket Mountain Mine. Thank you for your consideration of this request.

Wayne Hedberg 7-6-04

TM:jb

Enclosure: MR-RC & LOC rider

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